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Orvana Reports First Don Mario Gold Sales, Second Quarter Financial Results *Completion of construction, mill start-up highlight successful second quarter*

TORONTO – Orvana Minerals Corp. today announced that gold sales totalling 1,900 troy ounces have been recorded since July 1 from production at its Don Mario mine in southeastern Bolivia. In addition, the Company announced financial results for the second quarter, ended June 30, 2003.

“We’re very pleased with the progress we’ve made at Don Mario in such a short time,” said Orvana Chairman, President and CEO Jaime Urjel. “Our people have done a good job in taking this project through construction to gold sales in only 17 months, and our focus now is on fine tuning the operation to maximize throughput and gold recovery. We expect performance and gold production to continue to improve during the next few months. Going forward, our priorities will be optimizing operations and working to increase reserves at Don Mario, while at the same time evaluating opportunities to expand our presence in South America.”

Gold Production Progressing

Production began at the Don Mario mine in late May and early June, and the first gold was poured shortly thereafter. A total of 26,887 tonnes of ore grading 5.08 g/t were processed during the initial two months of operation. Gold production in June and July totalled 2,499 ounces.

Average gold recovery in July was 84.8%, primarily due to higher than anticipated copper content which impacted mill recoveries. Mine management is working to improve recoveries, and expects to achieve its 90% recovery target in the next few months as the mill progresses through the start-up phase.

Financial Results

The Company will not record gold sales until the third quarter, and accordingly did not report revenue in the second quarter of 2003. However, the Company did record in inventory the cost of work in process and bullion in the amount of \$743,172 as at June 30, 2003.

The Company spent an additional \$2.8 million on the construction of the Don Mario mine during the second quarter. These expenditures were financed, in part, through the borrowing of an additional \$700,000 from an \$8.0 million loan facility with a Bolivian bank, bringing the total amount drawn at June 30 to \$7.2 million. Total capital cost of the Don Mario mine was \$19.9 million, slightly less than the budgeted \$20.0 million.

Total expenses decreased by 35% in the second quarter of 2003 to \$173,688, from \$266,485 in the second quarter of 2002, primarily due to a lower foreign exchange loss in 2003 compared to 2002. In the first six months of 2003, total expenses decreased by 36% to \$205,322, from \$321,541 in the first six months of the prior year.

In the second quarter of 2003, Orvana’s operating loss decreased to \$173,688, compared with an operating loss of \$266,485 in the second quarter of 2002. Including one-time charges relating to restructuring costs (a loss of \$92,488 in the second quarter of 2003 and a gain of \$839,367 in the second quarter of 2002), Orvana recorded a net loss of \$266,176, or \$0.00 per share, in the second quarter of 2002, compared with net income of \$577,685, or \$0.01 per share, in the second quarter of 2002.

For the first six months of 2003, Orvana's operating loss prior to non-recurring restructuring costs decreased to \$202,434, from \$305,270 in the corresponding period of the prior year. For the first six months of 2003, net loss was \$294,922, or \$0.00 per share, compared with net income of \$534,097, or \$0.01 per share, in the first six months of 2002.

Change to the Board of Directors

Orvana has also announced that Joseph Conway resigned as a director of the Company, subsequent to the end of the quarter, in order to focus on his duties as President, CEO and a Director of IamGold Corporation. Mr. Conway had been a director since January, 2002.

"Bringing the Don Mario Mine into production is a significant development for Orvana and its shareholders. On behalf of the Board I would like to extend my gratitude to Mr. Conway for his assistance in achieving this milestone," Mr. Urjel added. "The Board of Directors of the Company expects in the near future to appoint a new director to fill the vacancy on the Company's Board resulting from Mr. Conway's resignation."

About Orvana

Orvana Minerals is a gold mining and exploration company involved in the evaluation, development and mining of precious metal deposits in South America. The Company's primary operation is the Don Mario gold mine in southeastern Bolivia. Orvana's long-term goal is to become a multi-mine producer in South America. Orvana's shares have been listed on the Toronto Stock Exchange since 1992 under the trading symbol ORV.

Consolidated financial statements and the Management's Discussion and Analysis for the three months and six months ended June 30, 2003 are available on Orvana's web site at www.orvana.com.

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Forward Looking Statements

Certain statements in this press release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements of Orvana Minerals Corp. ("Orvana" or "the Company") to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this press release, such statements use such words as "may," "will," "expect," "anticipate," "project," "believe," "plan" and other similar terminology. The risks and uncertainties are detailed from time to time in reports filed by Orvana with the securities regulatory authorities in Canada to which recipients of this press release are referred for additional information concerning the Company, its prospects and the risks and uncertainties relating to the Company and its prospects. New risk factors may arise from time to time and it is not possible for management to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance and achievements of the Company to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

The forward-looking information contained in this press release is current only as of the date of this press release. There should not be an expectation that such information will in all circumstances be updated, supplemented or revised whether as a result of new information, changing circumstances, future events or otherwise.